

Exhibit B



Puerto Rico

Coronavirus Impact

PREPA Chief Signals Potential Renegotiation of RSA Will Wait for Early 2021 as Fiscal Plan Amendments, Covid-19 Recovery Take Shape

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Puerto Rico Electric Power Authority Executive Director José Ortiz signaled this week that the utility's [restructuring support agreement](#) is likely to be renegotiated in light of the Covid-19 pandemic, pointing to anticipated amendments to PREPA's fiscal plan and recovery metrics as factors driving a potential reworking of the RSA. Ortiz indicated that changes to the RSA would likely not happen until early 2021.

"Depending on what comes out of the Covid recovery, we will know better how much we can certainly commit to in the RSA process. I don't foresee this happening until late this year or most probably early next year," Ortiz said during an April 14 webinar on Puerto Rico's grid hosted by New Energy Events.

Ortiz also addressed the relationship between the PREPA fiscal plan and RSA, and how changes in the fiscal plan are likely to result in changes to the RSA: "The fiscal plan will be amended for the next two years. There is no doubt. Regarding the RSA, certainly that is based on the fiscal plan and [PREPA's] capabilities." Ortiz continued, "If we increase the demand immediately that will mean something for the RSA. If we don't then we will have to talk about renegotiating the RSA."

The PREPA chief said discussions with the PREPA oversight board contemplate amendments to the utility's fiscal plan "at least" as it pertains to this year and next year. "I don't know if this is going to be a blip in the five-year term. That remains to be seen," he said.

Ortiz looked ahead to a "gradual increase" in demand once the Covid-19 "lockdown" period declared by Gov. Wanda Vázquez ends, **anticipating that a return to full demand by "big pullers of energy" such as hotels, restaurants and movie theaters is "at least" six to eight months out on the horizon.**

The PREPA chief stressed that the oversight board's move to delay the hearing on the RSA 9019 motion until later in the year is "very important" in this election year. "That's very positive to have a correct negotiation because that takes this important factor in the future of PREPA out of the political intensity of this year," he said. "So it may be better to move that discussion to next year, and then we'll see the real effects in the long-term of Covid-19 in Puerto Rico."

Ortiz was asked whether PREPA's upcoming [May 15 report](#) to the Title III court may include a proposal to postpone the RSA process "indefinitely or at least until next year."

"Absolutely," he said, stressing that the RSA is based on macroeconomic indicators that remain in flux amid the coronavirus pandemic. "We don't know and nobody knows here or in the U.S. what that means for the long term," he said, adding: "Certainly we are going to express ourselves, together with the oversight board, regarding this in order to postpone it until basically many months later."

Ortiz said PREPA's revenue has seen a substantial hit during the lockdown period, noting that the directive to not cut service for nonpayment has **pulled collections down to between 62% and 70% from a normal average of around 96%.** "So that hurts certainly," he said.

Ortiz said PREPA had \$400 million in cash on hand at the start of the Covid-19 emergency period and is "still exactly at that number" due to "a lot" lower expenses, including fuel costs that were down as much as 50% due to the recent "dramatic drop" in the market. The PREPA chief also noted that the utility has received "many reimbursements" from the Federal Emergency Management Agency

related to Hurricane Maria and “some dollars” from private insurance.

“In terms of cash position, we are OK, but this is not sustainable in the long run. So we hope after the lockdown we come back to normal,” he said.

Ortiz said falling fuel costs would be reflected in a “very slight drop” in electricity bills in April, pointing to a lag of up to three months between the utility’s fuel purchases and billing. Starting in June, the PREPA chief anticipates that electricity costs would be well under 20 cents per kilowatt-hour.

Ortiz said peak demand for energy is down to about 2,200 megawatts per day during the lockdown period, a 9% to 10% decrease from the normal average of 2,500 megawatts. Ortiz expressed confidence that capacity moves being made by PREPA, including the planned restoration of more generation at its earthquake-damaged Costa Sur plant, would allow the utility to meet a spike in summer demand.

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